TABLE 2 – Consumer Price Index, United States and Ohio[1]

	1980:I	1980:II	1981:I	1981:II	1980:I-1981:I	1980:II-1981:II
	Index, 1967=100 not seasonally adjusted				Percent change	
All Items						
U.S.[2]	236.5	245.0	262.9	269.0	11.2	9.8
Cincinnati	243.7	251.6	265.3	271.7	8.9	8.0
Cleveland	243.5	248.7	273.5	278.7	12.3	12.1
Food and Beverages						
U.S.[2]	239.0	244.2	263.4	265.9	10.2	8.9
Cincinnati	249.6	255.3	277.0	280.6	11.0	9.9
Cleveland	240.8	242.1	265.9	269.4	10.4	11.3
Housing						
U.S.[2]	250.8	262.1	280.9	288.5	12.0	10.1
Cincinnati	255.9	265.6	273.6	283.5	6.9	6.7
Cleveland	256.7	263.8	291.8	297.1	13.7	12.6
Apparel and Upkeep						
U.S.[2]	173.0	177.3	182.7	186.2	5.6	5.0
Cincinnati	194.7	196.8	204.9	203.5	5.2	3.4
Cleveland	171.0	171.9	181.6	185.9	6.2	8.1
Transportation						
U.S.[2]	238.9	248.5	269.7	277.7	12.9	11.8
Cincinnati	223.6	233.1	253.8	260.7	13.5	11.8
Cleveland	228.3	236.3	260.8	267.7	14.2	13.3
Medical Care						
U.S.[2]	257.3	263.4	282.3	289.2	9.7	9.8
Cincinnati	290.8	294.5	309.5	314.4	6.4	6.8
Cleveland	285.8	285.7	316.7	321.8	10.8	12.6
Entertainment						
U.S.[2]	197.9	203.9	216.4	220.1	9.4	8.0
Cincinnati	186.7	195.5	201.8	199.0	8.1	1.8
Cleveland	197.3	198.3	209.0	212.1	5.9	7.0
Other Goods and Services						
U.S.[2]	207.8	211.2	227.4	231.8	9.4	9.8
Cincinnati	208.1	212.0	228.5	232.4	9.8	9.6
Cleveland	227.8	229.6	251.4	255.4	10.4	11.2

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Retail Sales

Retail sales in Ohio totalled over $11.6 billion during 1981:II, up 8.3 percent ($887 million) over 1980:II, compared with a 12.6 percent increase nationally. Durable goods sales were up strongly at both the national (16.3%) and state (12.9%) levels.

TABLE 3 – Retail Sales, United States and Ohio

	United States		Ohio				U.S.	State	U.S.	State
	1980:II	1981:II	1980:I	1980:II	1981:I	1981:II	1980:I-1981:I		1980:II-1981:II	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	231,722	260,937	10,040	10,740	10,487	11,627	8.8	4.5	12.6	8.3
Durable goods	72,646	84,487	2,800	2,882	2,894	3,255	8.4	3.4	16.3	12.9
Nondurable goods	159,076	176,450	7,240	7,858	7,593	8,372	9.0	4.9	10.9	6.5

Source: U.S. Department of Commerce, Bureau of Census.

Labor Force

Ohio's civilian labor force increased by 87,000 persons to over 5.1 million individuals from 1980:II to 1981:II (Table 4). This was a 1.7 percent change in the State compared to a 2.0 percent change nationwide. There were 109,000 more people employed in Ohio during 1981:II than were employed during 1980:II, for a 2.4 percent increase. Statewide, the unemployment rate during the second quarter was 0.6 percentage points lower than the same quarter a year ago, falling to 8.0 percent although continuing above the national average which was up slightly to 7.3 percent. Total unemployment in Ohio declined 5.3 percent while the Nation experienced a 3.4 percent increase in the number of unemployed. The only two industrial sectors in the State to record growth in employment during 1981:II over 1980:II were Finance, insurance, and real estate and Services. All other sectors experienced reductions in employment with Mining (-20.4%) and Construction (-5.3%) suffering the greatest relative losses.

CHART 5—Labor Force, Employment, and Unemployment, Ohio, 1981:II

CHART 6—Unemployment Rates

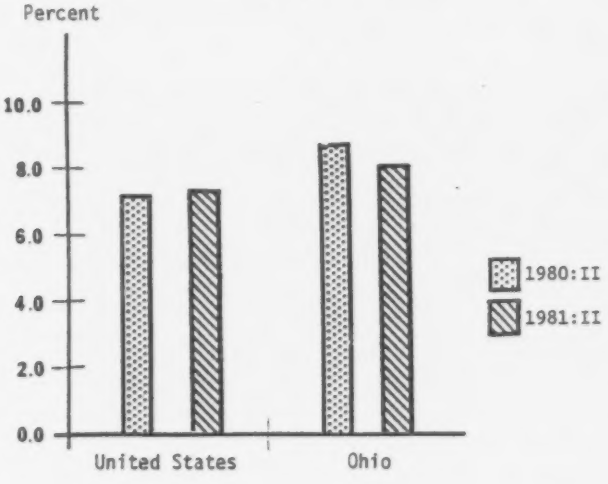


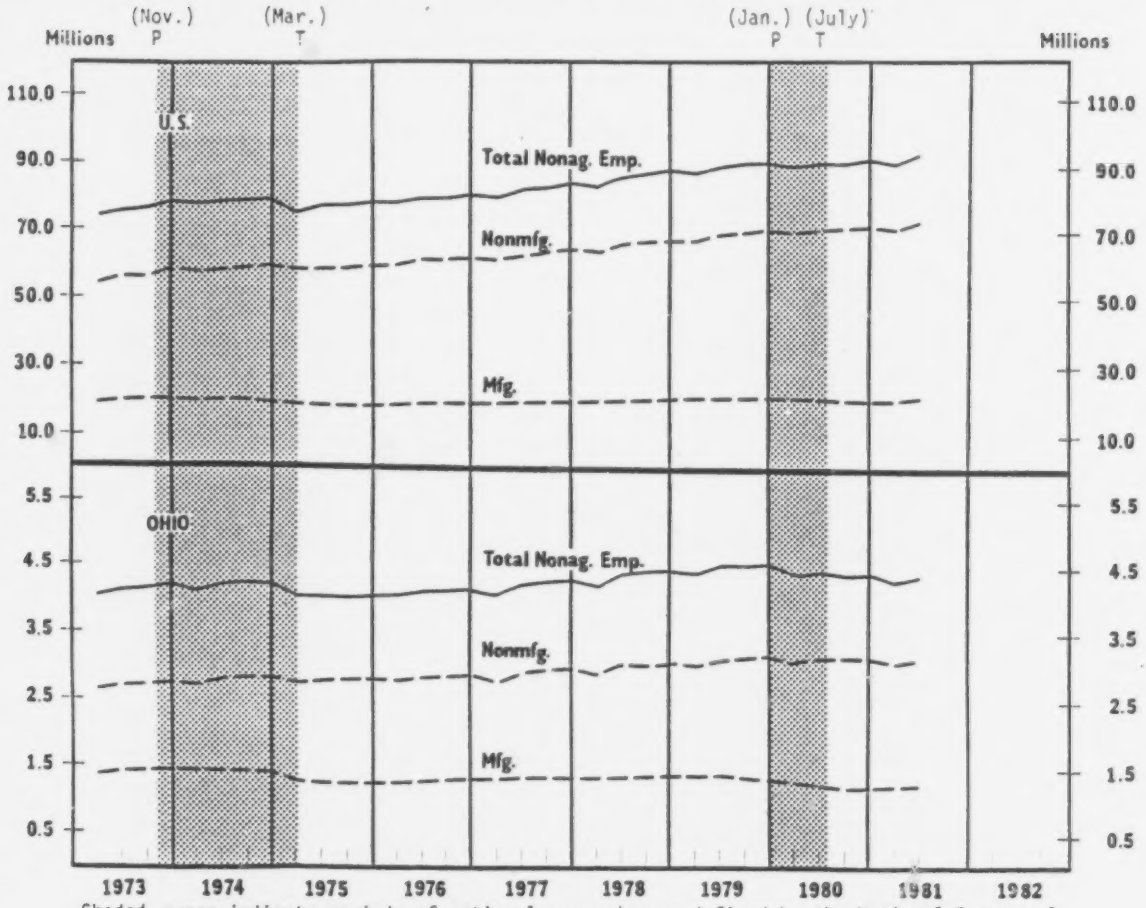
TABLE 4—Labor Force, United States and Ohio

	United States		Ohio				U.S.	State	U.S.	State
	1980:II	1981:II	1980:I	1980:II	1981:I	1981:II	1980:I-1981:I		1980:II-1981:II	
	Thousands of persons, not seasonally adjusted[1]						Percent change[2]			
Employees on nonag. payrolls.	90,886	91,889	4,400	4,419	4,311	4,399	0.5	-2.0	1.1	-0.5
Mining	1,026	1,010	30	30	31	24	8.9	0.7	-1.6	-20.4
Construction	4,464	4,360	162	179	150	170	-2.0	-7.5	-2.3	-5.3
Manufacturing	20,328	20,375	1,324	1,263	1,242	1,258	-2.8	-6.2	0.2	-0.4
Trans., comm. and pub. ut.	5,166	5,154	224	226	218	220	-0.9	-2.7	-0.2	-2.7
Wholesale and retail trade	20,477	20,660	957	972	943	965	1.2	-1.5	0.9	-0.7
Finance, insurance and real estate	5,147	5,335	204	205	206	208	3.4	1.3	3.7	1.6
Services	17,743	18,636	809	838	827	862	3.7	2.3	5.0	2.8
Government	16,534	16,358	691	705	695	691	0.3	0.6	-1.1	-2.0
Civilian labor force	104,502	106,549	4,974	5,056	4,988	5,143	1.6	0.3	2.0	1.7
Total employed	97,017	98,809	4,625	4,622	4,494	4,731	0.3	-2.8	1.8	2.4
Total unemployed	7,485	7,740	350	434	494	411	20.2	41.4	3.4	-5.3
Percent unemployed	7.1	7.3	7.0	8.6	9.9	8.0	—	—	—	—

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

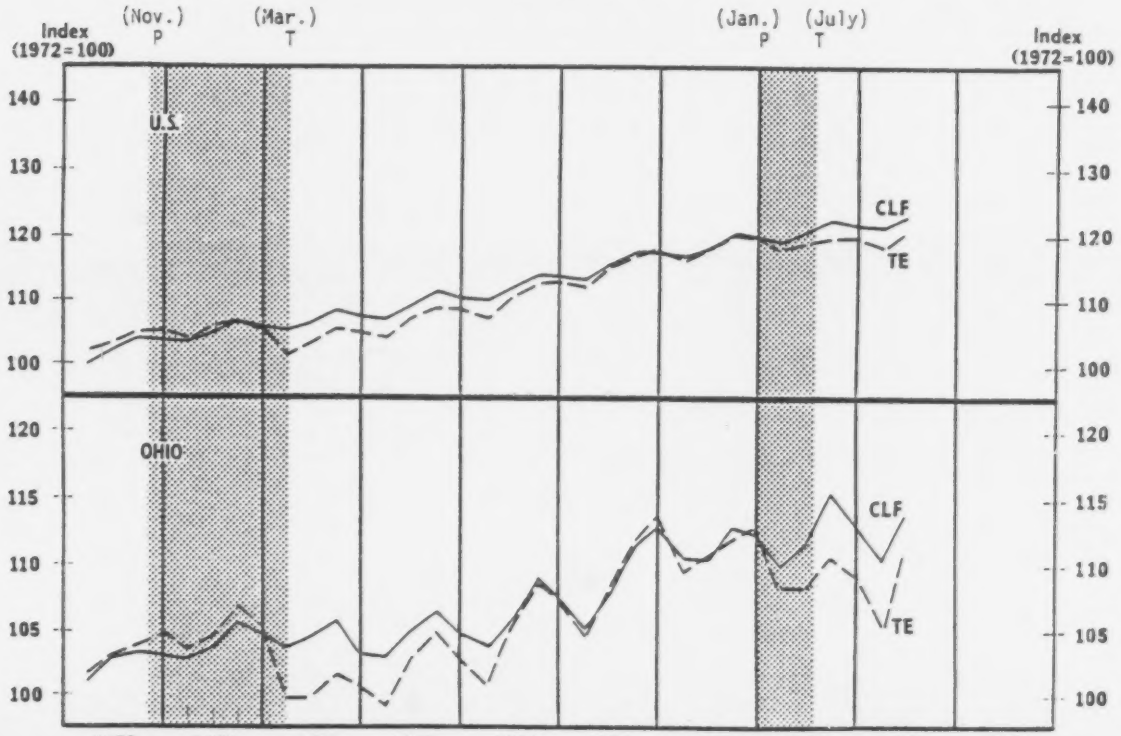
Source: U.S. Department of Labor, Bureau of Labor Statistics.

CHART 7 – Industrial Composition of Nonagricultural Employment



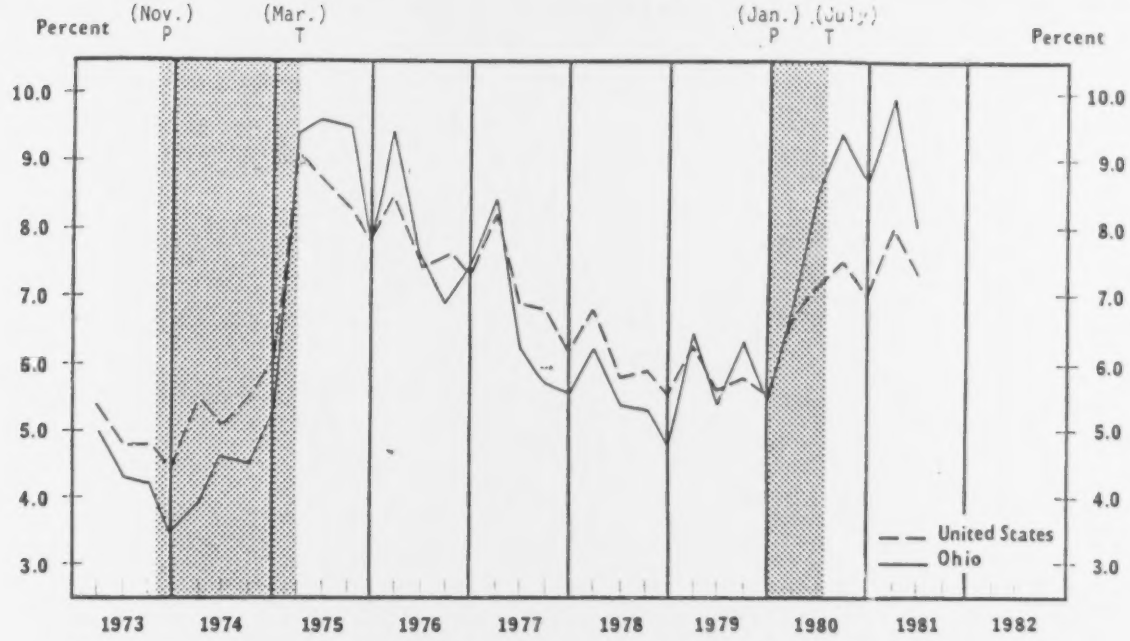
Shaded areas indicate periods of national recession as defined by the National Bureau of Economic Research, Inc. P = peak and T = trough.

CHART 8 – Civilian Labor Force (CLF) and Total Employment (TE)



Shaded areas indicate periods of national recession as defined by the National Bureau of Economic Research, Inc. P = peak and T = trough.

CHART 9 — Unemployment Rate



Shaded areas indicate periods of national recession as defined by the National Bureau of Economic Research, Inc. P = peak and T = trough.

Commercial Banking

Total outstanding loans rose 1.7 percent from 1980:II to 1981:II in Ohio compared to a 9.9 percent increase nationwide. Loans totalled $28.7 billion in 1981:II, representing a gain of $482 million over 1980:II. Loans to individuals (credit cards, and loans for autos, mobile homes, and other personal expenditures) continued to decline in the State as consumers sought to reduce their debt burden, down 2.9 percent versus a 0.8 percent increase in the Nation.

Total deposits increased 3.4 percent in Ohio from 1980:II to 1981:II compared to a 10.1 percent increase nationally. In 1981:II, deposits totalled nearly $42.2 billion statewide, for an increase of almost $1.4 billion over 1980:II. Demand deposits continued to decline in both Ohio and the U.S. while time and savings deposits gained at double-digit rates in both areas.

TABLE 5 — Commercial Banking Indicators, United States and Ohio

	United States		Ohio				U.S.	State	U.S.	State
	1980:II	1981:II	1980:I	1980:II	1981:I	1981:II	1980:I-1981:I		1980:II-1981:II	
	Millions of dollars, not seasonally adjusted[1]						Percent change			
Total loans	791,913	870,107	28,871	28,236	28,350	28,718	4.2	-1.8	9.9	1.7
Commercial and industrial	258,967	296,719	7,932	7,556	7,774	7,816	7.4	-2.0	14.6	3.4
Loans to individuals	179,113	180,573	8,921	8,564	8,250	8,313	-4.0	-7.5	0.8	-2.9
Real estate	252,414	272,883	10,188	10,218	10,417	10,503	6.6	2.2	8.1	2.8
Residential	147,509	158,005	6,531	6,561	6,739	6,849	5.8	3.2	7.1	4.4
Farms	8,445	8,448	457	456	465	467	-0.5	1.8	0.0	2.4
Other	96,460	106,430	3,200	3,201	3,213	3,187	8.5	0.4	10.3	-0.4
Farms, excluding real estate	31,083	33,190	475	492	472	506	2.8	-0.6	6.8	2.8
Other	70,334	85,913	1,355	1,406	1,437	1,580	6.1	6.1	22.2	12.4
Total Deposits	1,109,661	1,221,865	40,794	40,774	42,617	42,161	8.8	4.5	10.1	3.4
Demand	416,774	397,406	12,933	12,963	11,472	11,174	-3.8	-11.3	-4.6	-13.8
Time and savings	692,887	824,460	27,361	27,811	31,145	30,987	16.2	11.8	19.0	11.4

[1]Detail may not add to totals because of rounding.

Source: U.S. Federal Deposit Insurance Corporation.

Permit Authorized Private Construction

Authorized private building construction in Ohio was down 5.5 percent from 1980:II to 1981:II compared to an increase of 28 percent across the Nation (see Table 6). The value of all authorized construction in Ohio totalled $832 million during 1981:II, for a decrease over the year of $49 million. This decline was concentrated entirely in nonresidential construction as the growth in Ohio's private housing industry continued to outpace that of the U.S., both in terms of the number of units to be built and dollar value. In Ohio, 8,575 dwelling units were authorized for construction during 1981:II, up nearly 25 percent or 1,700 units over the second quarter last year. The price tag of this construction was placed at $362 million for an increase of 33.9 percent over 1980:II. By contrast, housing units were up only 20 percent nationwide and with a gain in value of 31.5 percent. Construction of authorized industrial buildings continued to be off sharply in Ohio, down 68.7 percent to $74 million during 1980:II compared to $237 million last year. Also down were mercantile, institutional, educational and amusement building construction. Office building construction, however, was up over 116 percent in Ohio to $64 million during 1981:II, mirroring the national trend of strong growth in office-type construction. The value of authorized additions to or alterations of existing structures continued to exhibit strong growth nationwide and in Ohio reached a record dollar value of $235 million during 1981:II.

TABLE 6 — Permit Authorized Private Construction, United States and Ohio

	United States		Ohio				U.S.	State	U.S.	State
	1980:II	1981:II	1980:I	1980:II	1981:I	1981:II	1980:I - 1981:I		1980:II - 1981:II	
	Not seasonally adjusted						Percent change[3]			
All authorized private construction[1] Valuation (millions of dollars).....	23,243	29,760	541	881	534	832	13.1	-1.2	28.0	-5.5
New housing units										
Number of dwelling units.....	255,666	306,811	3,877	6,868	5,127	8,575	4.6	32.2	20.0	24.9
Valuation (millions of dollars).....	9,898	13,013	163	271	192	362	11.4	17.7	31.5	33.9
Industrial buildings										
Number of buildings.....	4,880	5,550	140	159	112	188	-0.2	-20.0	13.7	18.2
Valuation (millions of dollars).....	2,161	1,955	86	237	28	74	-7.2	-67.4	-9.5	-68.7
Office buildings										
Number of buildings.....	4,275	5,383	92	103	77	121	7.3	-16.3	25.9	17.5
Valuation (millions of dollars).....	2,090	4,169	68	30	33	64	56.3	-51.2	99.5	116.2
Stores and other mercantile buildings										
Number of buildings.....	7,683	9,307	193	217	161	220	-13.6	-16.6	21.1	1.4
Valuation (millions of dollars).....	1,600	1,911	37	46	34	32	-2.0	-5.9	19.4	-32.0
Hospitals and other institutional buildings										
Number of buildings.....	287	352	9	11	9	5	-7.0	0.0	22.7	-54.5
Valuation (millions of dollars).....	444	372	7	30	4	4	-18.9	-35.7	-16.2	-85.6
Educational buildings										
Number of buildings.....	552	482	12	16	6	21	7.5	-50.0	-12.7	31.3
Valuation (millions of dollars).....	213	177	7	9	2	4	-5.3	-76.4	-16.9	-55.6
Religious buildings										
Number of buildings.....	1,173	965	6	22	15	23	11.1	150.0	-17.7	4.5
Valuation (millions of dollars).....	212	218	1	5	3	13	5.7	233.1	2.8	184.5
Amusement buildings										
Number of buildings.....	1,203	1,424	22	49	24	41	4.8	9.1	18.4	-16.3
Valuation (millions of dollars).....	192	242	3	8	3	4	35.2	0.7	26.0	-45.7
Service stations and repair garages										
Number of buildings.....	933	1,145	16	41	29	26	12.0	81.3	22.7	-36.6
Valuation (millions of dollars).....	39	59	1	2	2	2	2.6	66.1	51.3	-33.1
Residential garages										
Number of buildings.....	48,521	51,218	802	2,685	887	2,884	5.9	10.6	5.6	7.4
Valuation (millions of dollars).....	209	235	4	11	4	13	-11.2	14.9	12.4	13.1
Other nonresidential buildings[2]										
Number of buildings.....	36,695	38,844	287	997	434	950	6.2	51.2	5.9	-4.7
Valuation (millions of dollars).....	662	795	10	23	10	15	-15.2	3.9	20.1	-32.4
Structures other than buildings										
Number of buildings.....	78,529	90,107	680	2,017	833	2,402	1.9	22.5	14.7	19.1
Valuation (millions of dollars).....	473	553	5	9	4	10	8.1	11.6	16.9	14.0
Residential and nonresidential add. and alter. Valuation (millions of dollars).....	4,772	5,691	148	196	214	235	17.2	44.4	19.3	26.7

[1] Includes totals for new nonhousekeeping residential buildings, not shown separately.

[2] Includes totals for parking garages (open to general public) and public works and utilities buildings.

[3] Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of the Census.

CHART 10 – Permit Authorized Private Construction, Valuation by Selected Type of Construction, Percent Change, 1980:II-1981:II

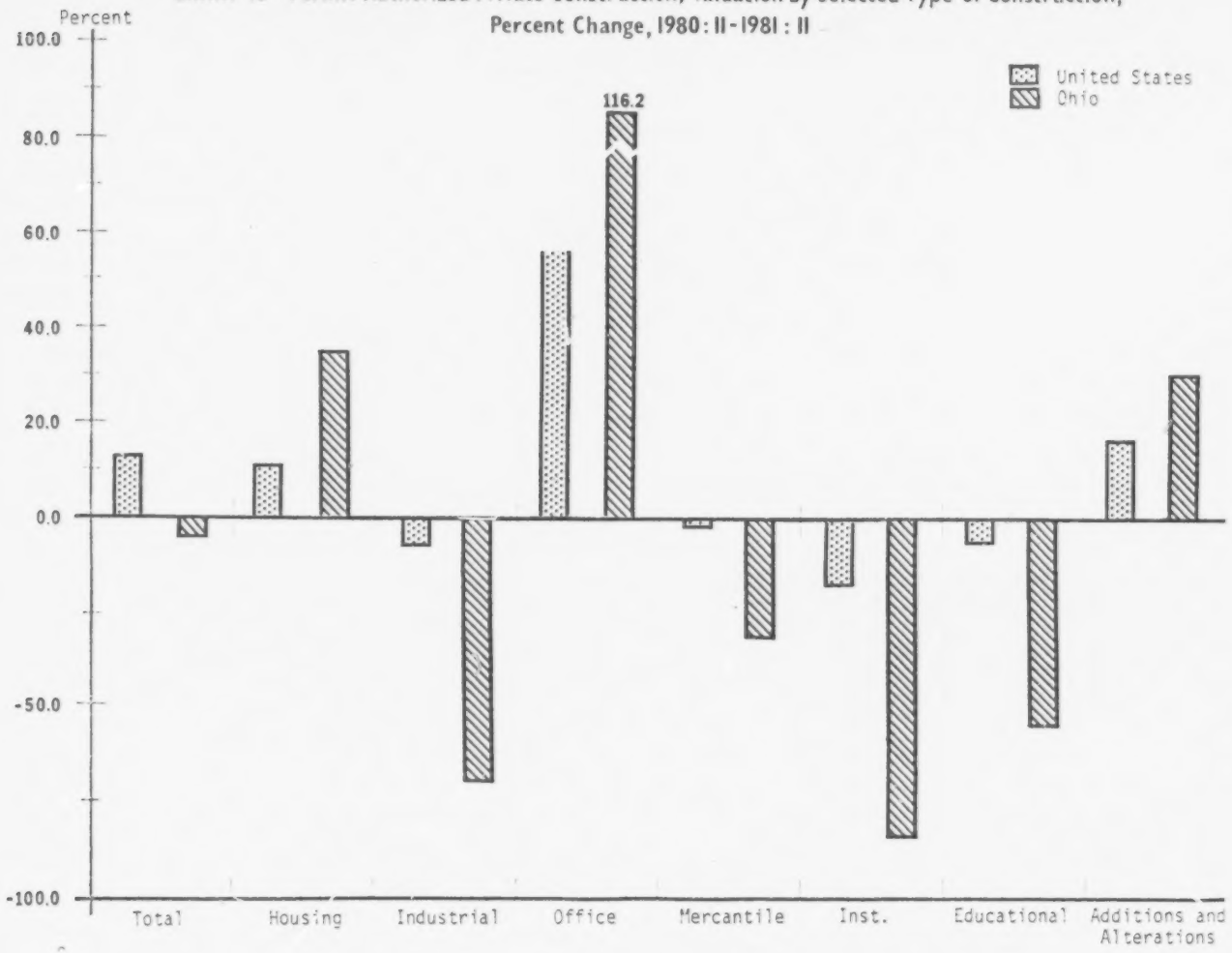


CHART 11 – Permit Authorized Private Construction, Total Valuation

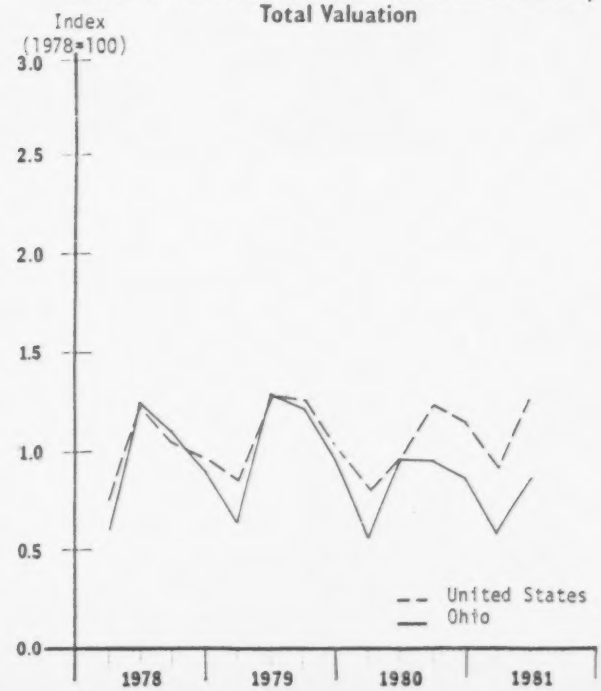


CHART 12 – Permit Authorized Private Construction, Valuation of Permits by Type, Ohio

TABLE 7 – Electric Energy Sales by Type of Consumer, United States and Ohio

	United States		Ohio				U.S.	State	U.S.	State
	1980:II	1981:II	1980: I	1980: II	1981: I	1981: II	1980:I - 1981:I		1980:II - 1981:II	
	Millions of kilowatt-hours, not seas. adj.[1]						Percent change			
Electric Energy Sales	481,426	497,309	30,595	25,608	30,221	26,790	0.7	-1.2	3.3	4.6
Residential	149,715	151,902	9,818	6,994	9,927	6,949	1.2	1.1	1.5	-0.6
Commercial	112,675	118,514	4,929	4,464	5,063	4,639	2.6	2.7	5.2	3.9
Industrial	201,981	208,512	14,833	13,229	14,250	14,312	-1.0	-3.9	3.2	8.2
Other	17,054	18,381	1,014	922	981	890	3.9	-3.3	7.8	-3.5

[1]Detail may not add to totals because of rounding.

Source: U.S. Department of Energy, Energy Information Administration.

TABLE 8 – New Business Incorporations, United States and Ohio

	United States		Ohio				U.S.	State	U.S.	State
	1980:II	1981:II	1980: I	1980: II	1981: I	1981: II	1980:I - 1981:I		1980:II - 1981:II	
	Not seasonally adjusted						Percent change			
New business incorporations	129,335	151,876	4,043	3,553	4,137	4,192	5.6	2.3	17.4	17.9

Source: (U.S.) Dun & Bradstreet, Inc.
(Ohio) State of Ohio, Secretary of State.

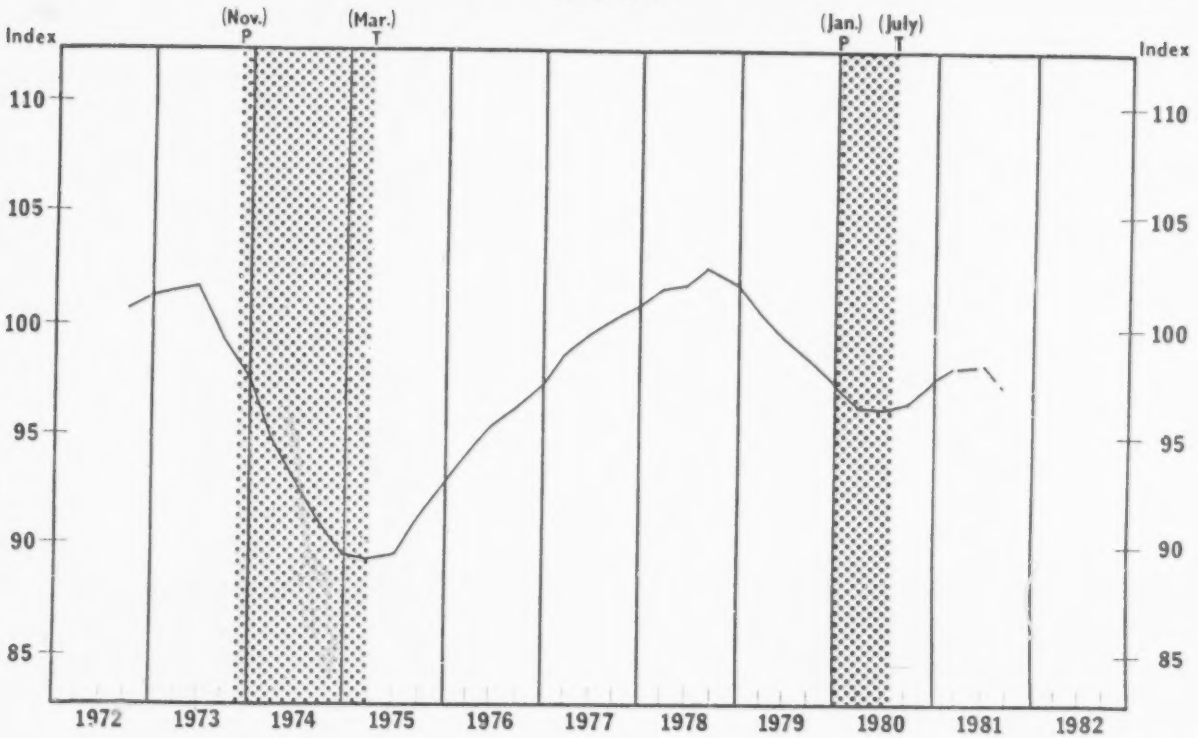
Ohio's Economy: Looking Ahead

The Ohio Index of Leading Indicators fell one full percentage point during 1981:III to a preliminary level of 97.3 (1973=100), offering additional evidence of continued weakness in Ohio's economy for the months ahead. On the basis of additional data, both the 1980:IV and 1981:I index levels were revised slightly upward to 97.8 and 98.2 respectively. The index declined as a result of losses in three components: layoff rate, average workweek and new housing units authorized by building permit, the latter of which was at its lowest level since the index began. Not surprisingly, higher interest rates continued to be reported on home mortgages, averaging slightly over 17.5 percent during 1981:III on a 90 percent, thirty-year conventional loan nationwide.[1]

[1]Federal Home Loan Bank Board, NEWS, "Home Mortgage Interest Rates Up Again in Early September," October 7, 1981.

THE OHIO INDEX OF LEADING INDICATORS

(1973-100)



Year	Quarterly				Annual Average
	IQ	IIQ	IIIQ	IVQ	
1972	--	--	100.5	101.1	--
1973	101.4	101.5	99.5	97.6	100.0
1974	95.3	92.9	90.7	89.6	92.1
1975	89.3	89.6	90.9	92.7	90.6
1976	94.0	95.3	95.9	97.1	95.6
1977	98.4	99.5	100.2	100.9	99.8
1978	101.4	101.5	102.5	101.8	101.8
1979	100.7	99.6	98.5	97.5	99.1
1980	96.3	96.2	96.4	r97.8	r96.7
1981	r98.2	p98.3	p97.3		

p = preliminary; r = revised

NOTE: The Ohio Index of Leading Indicators is designed to provide a statistical basis for measuring both the direction and magnitude of changes in aggregate economic activity at the state level. The Index is constructed as a weighted average of five seasonally adjusted components: Layoff Rate of Manufacturing Workers; Average Weekly Hours of Manufacturing Production Workers; Fourth Federal Reserve District Money Supply Estimate; New Private Housing Units Authorized by Building Permit; and New Business Incorporations. The last two quarters are preliminary. For a complete description, see Procedure for Estimating the Ohio Index of Leading Indicators, EDS-9.0ILI.

Shaded areas in chart indicate periods of national recession as defined by the National Bureau of Economic Research, Inc. P = peak and T = trough.

Compiled by: Ohio Department of Economic and Community Development, Office of Research, P.O. Box 1001, Columbus, OH 43216.

ANNOUNCEMENT

A new feature of the Quarterly is introduced with this issue. The Ohio Metro Business Activity Indices, presented on the next two pages, were developed by the Department of Economic and Community Development to provide a single measure of aggregate business activity for each of Ohio's eight largest SMSAs. Each index is designed to reflect the overall performance of the following six time series at the local level:

1. Outstanding Commercial and Industrial Loans
2. Total Nonagricultural Wage and Salary Employment
3. Total Covered Payroll of the Central County
4. Value of New Private Housing Authorized By Building Permit
5. Department Store Sales
6. Total Unemployment

Note: Each series has been seasonally adjusted; Series' 1, 3, 4 & 5 are expressed in real dollar amounts.

While each of the statistics used in the Index are themselves useful in providing insights into the fluctuations of an economy (whether local, state or national) they are rarely adequate to describe or reflect those fluctuations over time (such as over the course of a business cycle). Integrating the statistics into a composite, however, avoids many of the statistical aberrations and measurement errors which may periodically be exhibited by any one component since the composite reflects the aggregate performance of a group of time series. By providing this information in a single time series, the Ohio Metro Business Activity Indices can provide convenient yet useful clues to both short and long term movements in various local economies in Ohio.

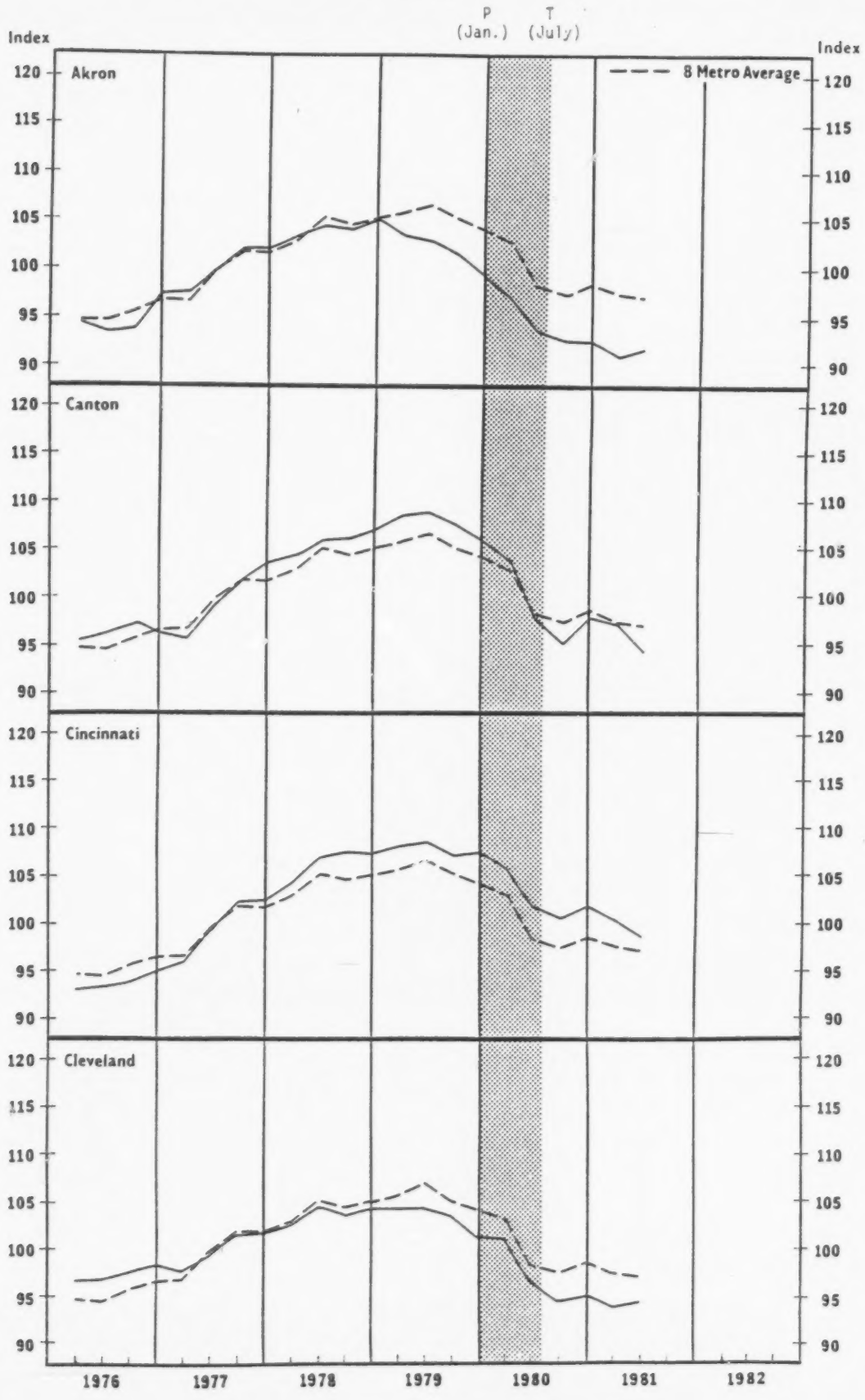
The chore of interpreting the results of these indices is eased somewhat for the reader if it is kept clear what is and is not being measured. What is being attempted is the measurement of the gross amount of business activity within a metropolitan area relative to its performance during 1977 (the base year). It is to the extent that the components, when taken as a whole, accurately reveal this economic movement, that the indices serve as valuable indicators. What is not measured is the relative importance of one metropolitan economy over another or the living standard of the residents.

The Ohio Metro Business Activity Indices are intended to supplement current techniques for analyzing substate regions of Ohio by providing broad measures of economic strength at the metropolitan level on a timely basis. As an additional aid, the average performance of all the metropolitan areas is superimposed over each index so that relative performances may be observed.

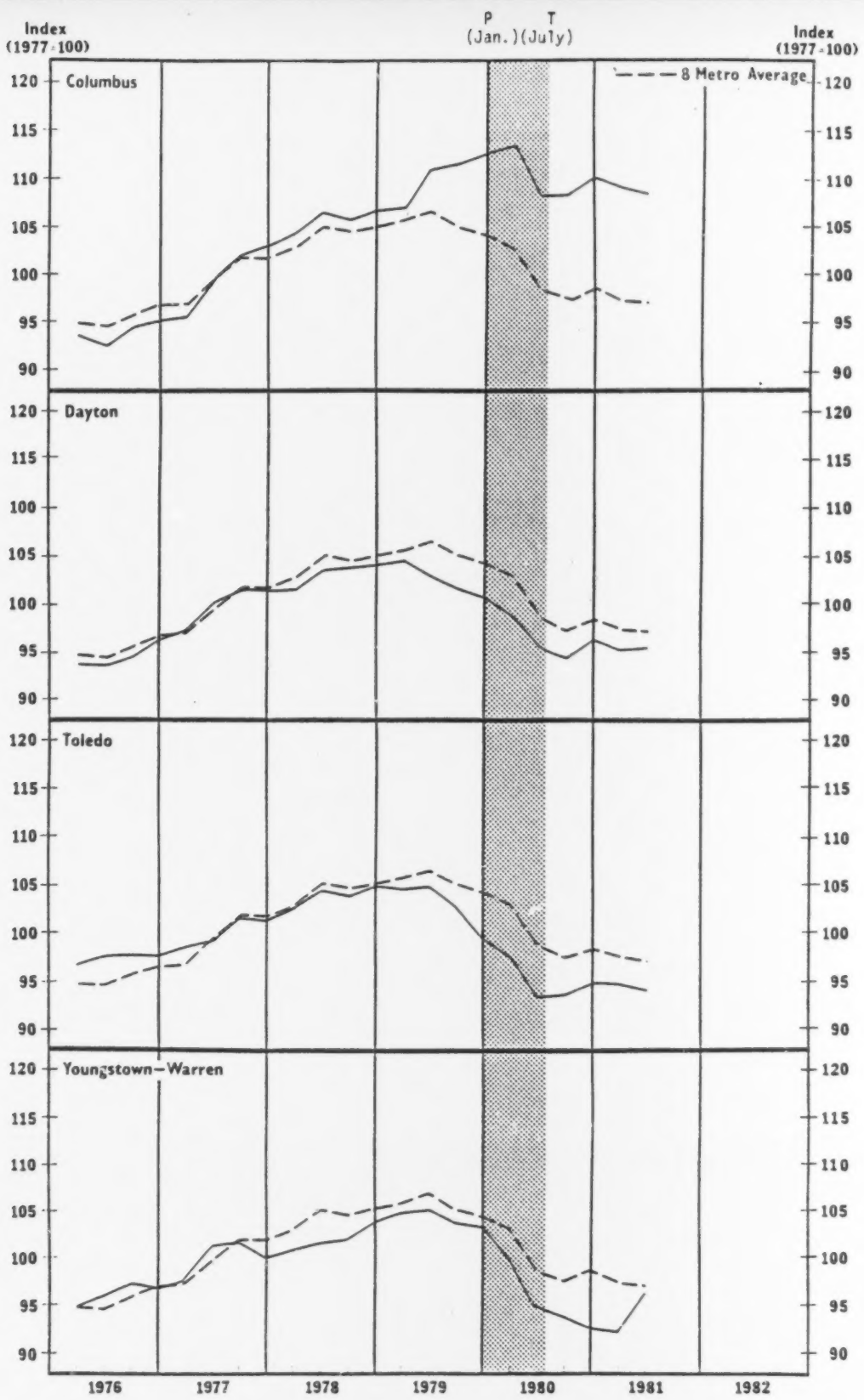
Readers are cautioned that these indices are experimental and may be subject to revision as additional work continues to further refine data adjustment and composite techniques.

THE OHIO METRO BUSINESS ACTIVITY INDICES

(1977=100)



See footnote at end of charts.



NOTE: The Ohio Metropolitan Business Activity Indices are designed to provide a single measure of aggregate business activity for each of the metropolitan areas above. Each index is constructed as a weighted average of six seasonally adjusted components: Outstanding Commercial and Industrial Loans; Total Nonagricultural Wage and Salary Employment; Total Payroll; Value of New Private Housing Authorized by Building Permit; Department Store Sales; and, Total Unemployment.

Shaded area in chart indicates period of national recession as defined by the National Bureau of Economic Research, Inc. P = peak and T = trough.

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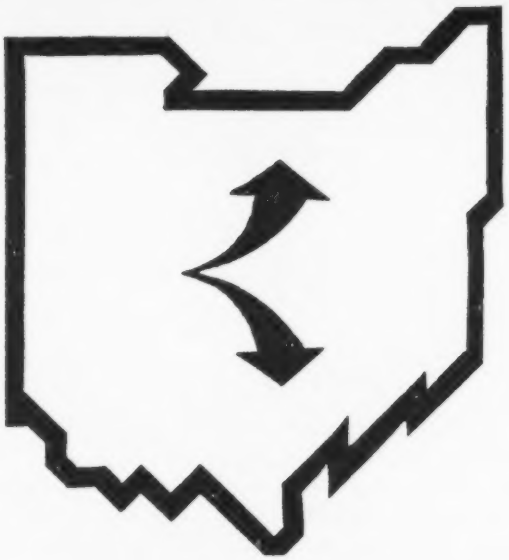
OHIO ECONOMIC INDICATORS QUARTERLY



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Highlights

1980:III to 1981:III

Personal Income	-Up 11.1%, 0.8 percentage points below the U.S. -Manufacturing payrolls outpace the national average -Both durable and nondurable goods payrolls rise faster than nationwide
Consumer Prices	-Up 6.2% in Cincinnati and 12.0% in Cleveland vs. 10.9% in the U.S.
Retail Sales	-Up 7.2% vs. 11.8% nationwide
Employment	-Down 0.8% to 4.7 million compared to a 1.6% rise in the Nation
Unemployment	-Rate up to 9.6% vs. 7.3% in the U.S.
Commercial Banking	-Total loans down 1.8% vs. 10.5% increase nationally -Total deposits up 3.9% vs. 9.4% in the Nation
Construction	-Total valuation of all authorized construction down 10.0% vs. 4.6% decline in the U.S. -Number of new private housing units off 36.9% vs. 35.1% drop nationwide

Ohio Economic Indicators Quarterly

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